

Calendar No. 591

104TH CONGRESS
2D Session

S. 1719

A BILL

To require the Secretary of the Interior to offer to sell to certain public agencies the indebtedness representing the remaining repayment balance of certain Bureau of Reclamation projects in Texas, and for other purposes.

SEPTEMBER 13, 1996

Reported with an amendment and an amendment to the title

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IN THE SENATE OF THE UNITED STATES

MAY 1, 1996

Mrs. HUTCHISON introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

SEPTEMBER 13, 1996

Reported by Mr. MURKOWSKI, with an amendment and an amendment to the title

[Strike out all after the enacting clause and insert the part printed in *italic*]

A BILL

To require the Secretary of the Interior to offer to sell to certain public agencies the indebtedness representing the remaining repayment balance of certain Bureau of Reclamation projects in Texas, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Texas Reclamation
3 Projects Indebtedness Purchase Act”.

4 **SEC. 2. DEFINITIONS.**

5 In this Act:

6 (1) **FEDERAL RECLAMATION LAWS.**—The term
7 “Federal reclamation laws” means the Act of June
8 17, 1902 (32 Stat. 388, chapter 1093), and Acts
9 amendatory or supplementary to that Act, (43
10 U.S.C. 371 et seq.).

11 (2) **NON-FEDERAL MITIGATION COSTS.**—The
12 term “non-Federal mitigation costs” means costs or
13 expenses incurred by a purchaser, whether paid di-
14 rectly or incurred as a reduction of anticipated
15 project benefits, not otherwise included as costs to
16 be repaid by the Federal Government, to mitigate
17 environmental impacts of a project pursuant to law.

18 (3) **PRESENT VALUE.**—The term “present
19 value” means the present value of the unpaid indebt-
20 edness of a project, as defined by the project repay-
21 ment schedule, discounted at the United States
22 Treasury rates on the date of execution of the pur-
23 chase contract.

24 (4) **PROJECT.**—The term “project” means all
25 or part of a project specified in section 4, including

all features, functions, and real and personal property authorized by Congress for any such project.

(5) PUBLIC AGENCY.—The term “public agency” means—

(A) a State agency or political subdivision of the State of Texas created under the laws of the State of Texas; or

(B) a home rule city created under the laws of the State of Texas.

(6) PURCHASER.—The term “purchaser” means—

(A) the party that (as of the date of enactment of this Act) has contracted with the United States for repayment of the indebtedness of a project; or

(B) if the party referred to in subparagraph (A) declines to complete the contract in accordance with this Act, the State of Texas, or a public agency, that has contracted with the United States for repayment of the indebtedness of a project in accordance with this Act.

(7) SECRETARY.—The term “Secretary” means the Secretary of the Interior.

1 **SEC. 3. AGREEMENT FOR SALE OF INDEBTEDNESS OF BU-**
 2 **REAU OF RECLAMATION PROJECTS IN TEXAS.**

3 (a) ~~IN GENERAL.~~—Not later than 180 days after the
 4 date of enactment of this Act, the Secretary shall offer
 5 to enter into an agreement with a purchaser for the pur-
 6 chase of projects in accordance with this section.

7 (b) ~~PURCHASE PRICE.~~—

8 (1) ~~IN GENERAL.~~—Subject to the other provi-
 9 sions of this subsection, the purchase price of a
 10 project shall be equal to the present value of the
 11 project.

12 (2) ~~DISCOUNT FOR IDENTIFIED LIABILITIES~~
 13 ~~AND UNREALIZED BENEFITS.~~—In the case of a
 14 project with an identified liability, or a project from
 15 which actual benefits are less than the benefits that
 16 are projected at the time of project authorization,
 17 the purchase price of the project shall be discounted
 18 to the extent of the identified liability or unrealized
 19 benefits, as determined by the State of Texas.

20 (3) ~~DISCOUNT FOR BUREAU PAYMENTS.~~—In
 21 the case of a project with respect to which the Bu-
 22 reau of Reclamation is obligated to pay a portion of
 23 maintenance and operating expenses or payments in
 24 lieu of taxes, the purchase price of the project shall
 25 be discounted by an amount equal to the anticipated

1 payment by the Bureau of Reclamation for the next
2 50 years.

3 ~~(4) DISCOUNT FOR NON-FEDERAL COSTS.—If a~~
4 purchaser assumes the responsibility for non-Federal
5 mitigation costs of a project, the purchase price of
6 the project shall be discounted to reflect the addi-
7 tional obligations undertaken or costs incurred.

8 ~~(c) CONVEYANCE OF LAND AND IMPROVEMENTS.—~~
9 When the purchase price is paid for a project, the Sec-
10 retary shall convey to the purchaser all right, title, and
11 interest of the United States to all land and all improve-
12 ments to the project. An interest may be retained by the
13 United States to the extent that the interest is retained
14 under subsection (g).

15 ~~(d) OPERATION AND MAINTENANCE.—The purchaser~~
16 shall assume all responsibility and liability for operation
17 and maintenance of a purchased project.

18 ~~(e) DELIVERY OF PROJECTS.—The United States~~
19 shall provide for the performance of work reasonably nec-
20 essary to provide for the delivery of a project, including
21 all facilities and property, in a reasonably safe and func-
22 tional condition and in accordance with good maintenance
23 standards.

1 (f) ~~FEDERAL RECLAMATION LAW REQUIREMENTS~~

2 ~~AND BENEFITS.~~—On full payment of the purchase price

3 ~~required under this section and the transfer of a project—~~

4 (1) ~~the purchaser shall be relieved from compli-~~

5 ~~ance with the acreage limitation and other require-~~

6 ~~ments of Federal reclamation laws with respect to~~

7 ~~the project; and~~

8 (2) ~~a project beneficiary shall not be eligible to~~

9 ~~receive benefits available under Federal reclamation~~

10 ~~laws, unless otherwise authorized by law, with re-~~

11 ~~spect to a project.~~

12 (g) ~~RESPONSIBILITY AND LIABILITY FOR~~

13 ~~PROJECT.~~—On completion of the purchase of a project,

14 ~~the purchaser shall—~~

15 (1) ~~assume sole responsibility and liability for~~

16 ~~the project purchased as of the date of conveyance~~

17 ~~of title; and~~

18 (2) ~~hold the United States harmless and indem-~~

19 ~~nify the United States against all claims of damage;~~

20 ~~except to the extent any title or aspect of project oper-~~

21 ~~ations has been retained by the United States.~~

22 (h) ~~NONREIMBURSABLE COSTS.~~—On completion of

23 ~~the purchase of a project, the purchaser shall assume re-~~

24 ~~sponsibility for continued implementation of all non-~~

1 reimbursable costs of the project originally authorized by
2 law.

3 (i) ~~EFFECT ON CERTAIN FEDERAL PROGRAMS.—A~~
4 program of the National Park Service or the Army Corps
5 of Engineers associated with a project shall not be affected
6 by the transfer of a project.

7 **SEC. 4. PROJECTS AND PURCHASE PRICE.**

8 The Secretary shall offer to enter into an agreement
9 with a purchaser under section 3 for the purchase of—

10 (1) the Canadian River reclamation project,
11 Texas, authorized by the Act of December 29, 1950
12 (64 Stat. 1124, chapter 1183; 43 U.S.C. 600b et
13 seq.), for \$21,187,881, except that title to portions
14 of the project owned by the National Park Service,
15 and portions required for flood control operation by
16 the Army Corp of Engineers, shall not be trans-
17 ferred;

18 (2) the Palmetto Bend Federal reclamation
19 project, Texas, authorized by Public Law 90-562
20 (43 U.S.C. 616gggg note), for \$33,923,245; and

21 (3) the Nueces River project, Texas, authorized
22 by title X of Public Law 93-493 (43 U.S.C. 600g
23 note), for \$30,715,367.

1 **SEC. 5. RELATIONSHIP TO OTHER LAW.**

2 (a) NEPA.—The assumption of Federal non-
 3 reimbursable responsibility for a project by a purchaser
 4 shall be considered to comply with the National Environ-
 5 mental Policy Act of 1969 (42 U.S.C. 4321 et seq.). Re-
 6 view of the project purchase shall not be required pursuant
 7 to the Act.

8 (b) REPAYMENT OF CONSTRUCTION CHARGES.—See
 9 tion 213(c) of the Reclamation Reform Act of 1982 (43
 10 U.S.C. 390mm(c)) shall not apply to a project.

11 **SECTION 1. SHORT TITLE.**

12 *This Act may be cited as the “Emergency Drought Re-*
 13 *lief Act of 1996”.*

14 **SEC. 2. EMERGENCY DROUGHT RELIEF.**

15 (a) CORPUS CHRISTI.—

16 (1) EMERGENCY DROUGHT RELIEF.—*On the con-*
 17 *dition stated in paragraph (2), for the purpose of pro-*
 18 *viding emergency drought relief, the Secretary of the*
 19 *Interior shall defer all principal and interest pay-*
 20 *ments without penalty or accrued interest for a pe-*
 21 *riod of 5 years for the city of Corpus Christi, Texas,*
 22 *and the Nueces River Authority under contract no. 6–*
 23 *07–01–X0675 involving the Nueces River Reclamation*
 24 *Project, Texas.*

25 (2) CONDITION.—*The condition stated in this*
 26 *paragraph is that the city of Corpus Christi, Texas,*

1 *commit to use the funds made available as a result*
 2 *of the deferral under paragraph (1) exclusively for the*
 3 *acquisition of or construction of facilities related to*
 4 *alternative sources of water supply.*

5 (3) *ISSUANCE OF PERMITS.—If construction of*
 6 *facilities related to alternative water supplies under*
 7 *paragraph (2) requires a Federal permit for use of*
 8 *Bureau of Reclamation lands or facilities, the Sec-*
 9 *retary of the Interior shall issue the permit not later*
 10 *than 90 days after the date of enactment of this Act,*
 11 *recognizing the environmental impact statement*
 12 *FES74–54 and the environmental assessment dated*
 13 *March 1991 (relating to the Lavaca-Navidad River*
 14 *Authority Pipeline permit).*

15 (b) *CANADIAN RIVER MUNICIPAL WATER AUTHOR-*
 16 *ITY.—*

17 (1) *RECOGNITION OF TRANSFER OF LANDS TO*
 18 *THE NATIONAL PARK SERVICE.—*

19 (A) *IN GENERAL.—All obligations and asso-*
 20 *ciated debt under contract no 14–06–500–485 for*
 21 *land and related relocations transferred to the*
 22 *National Park Service to form the Lake Meredith*
 23 *National Recreation Area under sections 502*
 24 *through 504 of Public Law 101–628 (16 U.S.C.*

1 460eee through 460eee-2), in the amount of
 2 \$4,000,000, shall be nonreimbursable.

3 (B) RECALCULATION OF REPAYMENT
 4 SCHEDULE.—Not later than 1 year after the date
 5 of enactment of this Act, the Secretary of the In-
 6 terior shall recalculate the repayment schedule of
 7 the Canadian River Municipal Water Authority
 8 to reflect the nonreimbursability of obligations
 9 and associated debt under subparagraph (A).

10 (2) EMERGENCY DROUGHT RELIEF.—The Sec-
 11 retary shall defer all principal and interest payments
 12 without penalty or accrued interest for a period of 3
 13 years for the Canadian River Municipal Water Au-
 14 thority under contract no. 14-06-500-485 as emer-
 15 gency drought relief to enable construction of addi-
 16 tional water supply and conveyance facilities.

Amend the title so as to read: “A Bill to provide emergency drought relief to the city of Corpus Christi, Texas, and the Canadian River Municipal Water Authority, Texas, and for other purposes.”.